

**Tennessee Health Services and Development Agency  
Public Hearing  
October 27, 2014  
Metro Knoxville HMA, LLC d/b/a  
Tennova Healthcare-Physicians Regional Medical Center  
CN1408-033 & CN1408-034**

**AGENCY STAFF PRESENT**

**Mark Farber, Deputy Director  
Jim Christoffersen, General Counsel  
Rhonda Finchum, Director of Administrative Services  
Mark Ausbrooks, Administrative Assistant 1**

**ATTENDEES PRESENT**

**Support**

Warren Gooch, Esq  
Neil Heatherly, CEO, TENNOVA  
Jerry Askew  
Barb Wright  
Karen Metz  
Shelly Fawler  
Lori Coffey  
Dan McGraw  
Timothy Henion  
Frank Beurlein  
Jim Beaugard  
Pam Beck  
David Johnson  
Donnie Ernst  
Barbara Pelot  
Reuben Pelot  
Philip Harn  
Jared Amerson  
Chris Defranco  
Neil Hartwig  
Kristen Kilgore  
Leonard Brabson  
Tammy White  
Rhonda Maynard  
Sandy Robinson  
Becky Dodson  
Leigh Dunlap  
Brenda Neely

**Opposition**

Darrell Hurley  
Katy Gooch  
Andrea Ray  
Rocky Swingle  
Larry Silverstein  
Juanita Davis-Braswell  
Charles Braswell  
Larry Hill  
Charles Thomas  
Jan Etheridge  
Susie Smith  
Nick Della Volpe  
Dana Fox  
Anne Crais  
Timothy Crais  
Sue Stephens  
Ben Gooch  
Charlotte Davis  
Carlene Malone  
AB Kliefoth  
Patty Earl  
Dennis Earl  
Teresa Hurley  
Darrell Hurley Sr

Alan Krichinsky  
Don Hinton  
Ella Hinton  
Mille Hill  
Alice Fox  
Gael Lott  
April Hurley  
Michael Covington  
Gregory Pitts  
Iva Hurley  
Michael Covington

**Neutral**

Lee Hume

## **CALL TO ORDER /ANNOUNCEMENTS:**

The public hearing was called to order by Mark Farber, Deputy Director, on October 27, 2014 at 6:00 p.m., in the Small Assembly Room, City County Building, 400 Main Street, Knoxville, Tennessee, 37902, regarding the following Certificate of Need Applications: CN1408-033 TENNOVA Healthcare Physicians Regional Medical Center and CN1408-034 TENNOVA Healthcare Nursing home.

Mr. Farber provided instructions for those speaking about the applications.

Mr. Farber informed the audience that this was a fact-finding public hearing and the applications will be presented to the Agency members for review at the November 19, 2014 Health Services and Development Agency Meeting in Nashville, TN.

Jim Christoffersen, General Counsel, explained the process of filing support and/or opposition with the Health Services and Development Agency, legal requirements for being eligible to file for an administrative appeal of the Agency's decision to approve or deny the applications, and the administrative appeal process.

## **APPLICANT'S PRESENTATION:**

Neal Heatherly, Chief Executive Officer, TENNOVA Healthcare representing the applicant, addressed the staff and audience stating that current models for efficiency at St. Marys Medical Center are antiquated and it would not be financially feasible to rebuild on the current location. Mr. Heatherly also stated the new facility was mandated by the medical staff as the growing population of the Knoxville area continues to make strides. Further detail is available in the written presentations made to the Agency in the Certificate of Need Applications. Further comments will be presented at the November 19, 2014 HSDA Meeting.

## **MEMBERS OF THE COMMUNITY (SUPPORT):**

Dr. Leonard Brabson: Due to inefficiencies in the current facility, he has to take three different elevators to reach the Maternity Ward. There are multiple issues with this as it could mean a difference between life and death.

Dr Frank Beurlein, Laboratory Director Chairman of Physicians leadership counsel: The hospital has outlived its usefulness, and the majority of physicians are actively in favor of a replacement facility. Placing new technologies into an antiquated facility would not make for an orderly health facility.

Jerry Askew, Vice President of External Relations: Physician's Regional Medical Center is unable to be a state leader in its current facility. The board has mandated replacing the current facility with a more technologically advanced facility.

Reuben Pelot, past president of the West Hills Community Association: Mr. Pelot and his wife Barbara are in support of the Middlebrook location; Mrs. Pelot monitored the Tennova transition plans as a city council member (now former). Tennova has kept the neighborhood well informed of the plans for an updated facility, and has worked with the West Hills Community Association by making changes to the project's footprint. Tennova will maintain 40% of the property as a nature preserve. The West Hills Community Association endorses the application. Tennova needs to move, and the Dowell Springs location is near three nursing homes.

Sandy Robinson: She does not believe Tennova would be a major concern for traffic. Mrs. Robinson believes that owners of private property have a right to develop, and the opposition is opposition to development. She also states Tennova has acquiesced to neighborhood requests for changes to the development plans, such as moving the helicopter site to the east side due to noise concerns.

**Speakers in Opposition:**

**(Opposition focused upon the TENNOVA Healthcare Physicians Regional Medical Center application, and specifically upon the relocation of the hospital from its current site to the proposed site)**

Larry Silverstein, Esq., resident of West Hills and representing Friends of Middlebrook (which he states includes 700+ people): Mr. Silverstein read into the record most of the letter that he submitted in opposition to the project; a copy of the letter is included in materials provided to Agency members.

Rocky Swingle (Friends of Middlebrook, Wesley Neighbors and Pembroke Community): Mr. Swingle summarized neighborhood opposition to the project, including letters, signs, a petition, the West Hills Community Association and Wesley Neighbors votes against the project. Mr. Swingle stated the proposed location would harm the community by reducing property values, increasing traffic congestion, imposing three years of construction nuisance, increasing flooding, and destroying a wildlife habitat.

Mr. Swingle also stated that the application contradicts statements and assumptions contained in the facility's 2004 application, which acknowledged that west Knoxville was overcrowded in terms of hospitals. Mr. Swingle stated that west Knoxville is already well served by existing hospitals, whereas north Knoxville would lose its only hospital and access if the application to relocate were approved. He discussed social and economic differences between the current hospital site and West Knoxville. He accused Tennova of abandoning poor and minority patients. He argued that Tennova has misstated the PRMC (f/k/a "St. Mary's) service area as being 15 counties, when it is primarily north and east Knoxville and outlying counties.

Mr. Swingle advocated renovating the current PRMC facility as a "workable alternative," with the transfer of some beds to the Emory Road location to decompress the facility.

Councilman Nick Della Volpe, who represents the 4th district in East Knoxville: He stated that the current PRMC facility provides important services for the north/east Knoxville area, and that an extra 15-20 minute drive would diminish access to care for his constituents. He stated that Tennova's desire to move West was financially driven. He lamented the current state of the health care system that seems to drive hospitals away from needy communities like East Knoxville in order to make a profit from wealthier communities like West Knoxville. He is concerned about the negative economic impact upon north Knoxville.

Dana Fox complained that the vast majority of people were not made aware of the public hearing, and stated there has been very limited coverage from the media, and stated (erroneously) that notice had not been published in the newspaper. He argued that it would be poor health planning to move a hospital away from where the patients it currently serves are located, and that it's where it is because the people there need it. He likened the placement of hospitals near the need to having a fire station where needed. He expressed concern that the population being served now, including poor citizens, will be left without access to a hospital and the doctors who will leave with it.

Darrell Hurley, representing Justice for Valerie Hurley: Mr. Hurley discussed the passing of his sister at a Tennova hospital, and the government investigation and private lawsuit that followed (in which a multi-million dollar judgement was awarded to her family). He discussed a D.O.J. action against HMA, which owned Tennova prior to CHS. Mr. Hurley stated that "St. Mary's" (PRMC) scores poorly in rankings.

Ann Crais, representing Wesley Neighbors Neighborhood Association: Ms. Crais read a letter from Wesley Neighbors Community Association's John Heins, stating that WNCA members voted to oppose the project by a margin of 91-7, with 4 undecided.

Tom McDaniel stated that his property was surrounded on three sides by the proposed location, and the new location of the helicopter pad would be below his living room window. He implored the Agency to consider the negative impact upon neighbors such as himself.

Michael Covington (of east Knoxville) expressed frustration with moving the hospital "nine miles west" from where it is needed by Tennova for only its own benefit (profit). He also expressed frustration with the doctors who have been described as wanting to leave east Knoxville.

Charlotte Davis stated that approval of the application would leave north and east Knoxville without a full service hospital, where it's needed, and reduce access there and impose a "9-11 mile trek" (further on those who come from outlying counties), which isn't easy and "could mean life and death." She stated that the real service area is north and east Knoxville, not 15 counties. Mrs. Davis stated that there's already ample hospital capacity in west Knoxville, but approval of the application would leave north Knoxville without any. Mrs. Davis recommends the expansion of the North Knoxville Hospital, versus moving of the facility to Middlebrook.

Andrea Ray, President of the Old North Knox Neighborhood Association: Ms. Ray stated that the community's needs should be considered, not just Tennova's needs. She stated that access to the proposed location would require a bus ride with two to three transfers from the current location. She stated that the application admits this is a busy hospital (at its current location). She stated that going from 4 to 5 hospitals in west Knoxville while going from 1 to 0 in north Knoxville should not be done.

Katherine Gooch stated that she was born at St. Mary's 82 years ago, that several of her family members have been born, died, had surgery, and been cured of various issues at the hospital's current location. She stated that the need for the hospital is where it is located, and that something should be done at the current location rather than abandoning it and the area's residents.

Dr. A.B. Kliefoth, "on staff at St. Mary's (PRMC) since 1981," though not on active staff, opposed the hospital's relocation for the following reasons. **NEED** – He echoed the comments made earlier in the evening about there being no need for another hospital in west Knoxville, and stated: the proposed hospital is not wanted in west Knoxville, it is needed in north Knoxville – especially by the elderly and poor there who aren't as mobile, land is available in north Knoxville, and that doctors have left the hospital due to bad decisions made by its prior administration and due to being forced into providing call at St. Mary's (PRMC) as well as other hospitals. **ORDERLY DEVELOPMENT** – Relocating from where the hospital is needed to where it is not, relocating from the less affluent to the more affluent, and adding to the "arms race" in west Knoxville would not contribute to the orderly development of healthcare. **ECONOMIC FEASABILITY** – He stated that doing something on the current location

would make more sense financially. Also, he stated that CMS is discouraging hospital admissions and length of stay, which will mean reduced need for beds and an over-abundance of them.

Lee Hume asked that a letter be entered into the record.

**Additional letters of opposition were submitted from:** Larry Silverstein, Esq., Darrell Hurley, Charlotte Davis, Ashley Williams, Anne Crais, Beverly Gooch, Katherine Gooch, and John Heins.

**Applicant's Response:**

Melanie Burgess, Assistant Vice President Business Development, Tennova Market Support Office: Ms. Burgess stated that Tennova has worked diligently for 18 months with multiple meetings and listening to the concerns of the dialogue of neighbors. Tennova is committed to a number of items specifically preserving forty percent of the acreage for the greenways and wildlife. Tennova has met with the city to ensure codes will be met. The project will be thoroughly detailed at the November 19, 2014 Meeting.

**ADJOURNMENT**

Mark Farber adjourned the Public Hearing at 9:00 p.m.



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Mark Farber, Deputy Executive Director  
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